

REDD – potential environmental justice challenges and the way forward

## ***Introduction***

The use of market based mechanisms such as Clean Development Mechanism<sup>1</sup> under the Kyoto Protocol has increasingly become a common approach to address environmental challenges. Putting a price tag on the environment helps people realise the real costs of damages which are otherwise ignored and thereby lead people to change their behaviour. It also helps reduce the costs of reducing emission and meeting environmental goals by creating a market and improving efficiency. In addition, introducing market based mechanisms may help mobilise funds for tackling various environmental challenges. In an effort to protect biodiversity, for example, the use of innovative mechanisms including biodiversity offsets and Payment for Ecosystem Services have been explored following the decision to develop such financial mechanisms at the 9th Conference of Parties for the Biodiversity Convention in 2009<sup>2</sup>.

The use of market based mechanism is transforming the way nature and ecosystems are managed with profound impacts on the livelihoods of people dependent on them. This is particularly the case in the application of REDD (Reducing Emissions from Deforestation and forest Degradation), an emerging approach to address climate change, because of its potential impacts on the local community it may create. The paper, based on Indonesia's experience to date, analyses the environmental justice implications of REDD and discusses issues that need to be taken into account for the design of an equitable and sustainable REDD scheme.

## ***The emergence of REDD***

Greenhouse gas emissions from deforestation and forest degradation account for about 17%<sup>3</sup> of the total emissions worldwide (IPCC 2007). This makes the sector one of key targets for emission reductions in an effort to address climate change. In the Copenhagen Accord which was “taken note of” at the United Nations climate negotiations in Copenhagen in December 2009, the international community recognised “the crucial role of reducing emissions from deforestation and forest degradation and the need to enhance removals of greenhouse gas emissions by forests” and agreed on the need to provide positive incentives for REDD+ (Reducing Emissions from Deforestation and forest Degradation plus<sup>4</sup>). Detailed and

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<sup>1</sup> CDM is one of the "flexibility" mechanisms defined in Article 12 of the Kyoto Protocol.

<sup>2</sup> CBD/ COP/DEC/IX/11B

<sup>3</sup> The new study, based on updated forest cover data and accounting for significantly increased fossil fuel emissions, puts the figure at 12%, although the authors, led by Guido van der Werf of Vrije Universiteit in Amsterdam, note that the percentage is highly variable on a year-to-year basis.

<sup>4</sup> REDD+ is a mechanism that establishes incentives for developing countries to protect and better manage their forest resources, by creating a financial value for the carbon stored in trees, thus making forests more valuable standing than cut down. REDD“+” goes beyond deforestation and forest degradation, and includes the role of conservation, sustainable management of forests and enhancement of forest carbon

standardised framework with regards to how to design and implement REDD and monitor, report and verify emission reductions from REDD is still being developed. In the meantime, a number of developing countries have started pilot implementation of REDD with the support of donors and NGOs. UN REDD programme<sup>5</sup>, for example, supports REDD+ readiness activities in nine pilot countries<sup>6</sup> and has approved over US\$42 million to date.

The potential financial streams REDD are expected to generate over coming years attract international investors. Merrill Lynch and Macquarie Bank are seeing REDD as “the new black”, and have already put money into projects in Indonesia, Papua New Guinea and Cambodia<sup>7</sup>. Tradable carbon credits from trees could help improve the livelihood of local communities while creating a financial incentive to preserve forests. As often seen in the case of decentralisation of natural resources management, however, implementing REDD in the absence of sound governance creates a political vacuum vulnerable to elite capture, manipulation and other interventions by politically powerful groups. The political battle over resource rent may also lead to a suboptimal outcome for most stakeholders. Given the scale of benefits and the limited transparency and accountability on the ground in countries promoting REDD, the REDD activities are fraught with risks. Serious violations of indigenous people’s rights have already been reported in Papua New Guinea<sup>8</sup> which led to the Indigenous Environmental Network to reject completely REDD and REDD+ as a means of addressing climate change (IEN, 2010).

The current debate on REDD tends to focus on MRV (measurement, reporting and verification) issues. It is understandable given the importance of baseline data for any transactions. However, the other side of REDD – its potential to affect internal community dynamics as well as the way forest is managed at the local level is equally important and should not be overlooked. For REDD to meet its alleged objectives of reducing emissions and poverty at the same time, social and political changes that might arise with the introduction of REDD and potential reactions of different actors to these changes must be fully considered in advance. This requires a careful analysis of the history of forest management in a country/region in question. This will help identify potential risks associated with REDD,

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stocks.

<sup>5</sup> UN REDD Programme, <http://www.un-redd.org/>

<sup>6</sup> Bolivia, Democratic Republic of Congo (DRC), Indonesia, Panama, Papua New Guinea, Paraguay, United Republic of Tanzania, Viet Nam and Zambia.

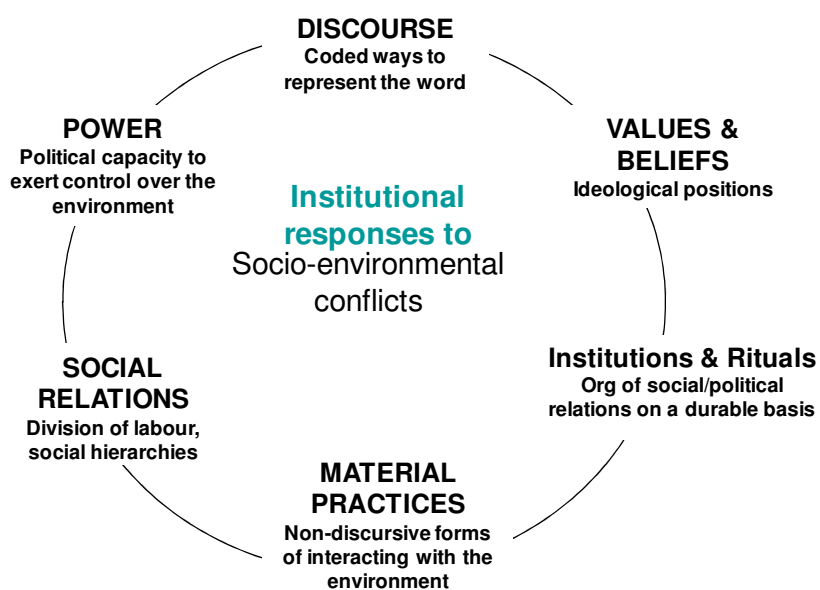
<sup>7</sup> Merrill Lynch is to invest \$9 million to the Ulu Masen Project to protect 750,000 hectares of forest in Aceh, Indonesia.

<sup>8</sup> IEN Press Release (January 13, 2010), “Indigenous leader kidnapped and forced at gunpoint to surrender carbon rights for REDD in Papua New Guinea”, <http://www.ienearth.org/docs/IENPressRelease-Carbon-Trading-violates-Indigenous-Peoples-rights-1-13-2010.pdf>

which will be critical for designing an equitable REDD framework. What follows is a brief description of the forest management in Indonesia, one of the pilot countries of UN REDD Programme, and the analysis of the socio-political changes over time based on the Six Moment Framework proposed by David Harvey (See Box 1).

Box 1: *Six Moments Framework*

David Harvey (1996: 78) proposed six moments as a basic framework to better understand social processes of change, namely: discourse; power; values and beliefs; social relations; material practices; and institutions and rituals. These moments are interdependent as each moment is influenced by effects from other moments. In other words, interactions within each moment have important implications in the changes in other moments. Differences in people's values and beliefs are, for example, are partly the result of different degree of power and/or the different social relations they have, and vice versa. As such, the six moments should not be understood as mutually exclusive stages of social changes. Rather, social changes take place through changes within moments and interaction of these interdependent moments.



Source: Elaborated on the basis of Harvey (1996:78).

*Forestry in Indonesia – a pendulum between decentralised and centralised control*

During the New Order Regime under President Suharto from 1966 to 1998, Ministry of Forestry had virtually full authority in the management of forest resources in the country. The role of Provincial and district governments were generally limited to implementing decisions

made in Jakarta<sup>9</sup>. There was hardly any space for local communities, particularly those of indigenous ones, to claim their rights to forest. Although the national slogan, *Bhinneka Tunggal Ika*, unity in diversity, considers ethnic diversity as an asset, a strong emphasis was placed on unity and many efforts were made to limit the expression of ethnic identity. The emphasis on unity is reflected on the Suharto policy of deactivating so called SARA (*Suku, Agama, Ras dan Antar Golongan*, meaning ethnic group, religion, race and group-based interest) in institutions and socio-political interactions.

In other words, interaction of six moments during this period led a moment to ‘catalyse’ into what Harvey calls “permanence” or rigid structures that favour those in power in Jakarta. Harvey correctly recognises the possibility of interactions flowing in a causal or circular manner, especially in a way that serves to the interests of powerful groups. The central government had a sole authority to grant logging concessions. The centralised regime was justified to ensure the national unity and achieve economic development. Voices for the rights of indigenous people were dismissed as romantics imposing their primitive fantasies upon poor folk who want, or should want, to progress like “ordinary” Indonesians (Li, 2000). Unified educational system also played a role in reinforcing the centralised and nationalistic value systems. Only a few religions were officially recognised, namely Islam, Protestantism, Catholicism, Buddhism and Hinduism, and communities were encouraged to abandon their traditional beliefs.

What Foucault described in *Discipline and Punish* might be a good description of the period of centralised control which lasted more than three decades. For Foucault (1977), the presence and the use of discourse are intrinsically connected to the exercise of power. In *Discipline and Punish*, Foucault analysed power within every social relationship and showed how human beings are socially constructed to be an obedient actor in the society. Under the surveillance of *Panopticon*, individuals will choose to become disciplined and obedient selves at their own will. In other words, individuals are defined and created by the pervasive power in the society. This is a view in which the idea of an autonomous individual has no place because any subjective behaviour of individuals is merely a result or creation of power. Foucault identified and analysed the mechanisms (*dispositifs*) in which power is pervasive and suffuses every aspect of social life. As Buchanan points out, Foucault’s analysis privileges the productive apparatus which produces the discipline at the expense of the productions of the people (2000: 93). This was essentially what happened in the forestry sector of Indonesia during the New Order Regime.

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<sup>9</sup> It is worthwhile to note that prior to the basic forestry law of 1967, district governments were allowed to issue permits for timber and non-timber forest extraction, to levy a tax or taxes on concession permit holders.

With the end of the New Order Regime, however, the political pendulum swung back in favour of the districts and communities. Law 22/1999 on regional administration gave district government greater authority to formulate their own policies, including policy in the forest sector. Law 25/1999 on fiscal balancing also allocated a larger share of forest revenues to the districts and provinces. In 2000, Ministry of Forestry issued a decree (No.05.1/2000) which further empowering the district by allowing district authority to issue small-scale concession permits. Such permits may be granted to communities, individuals or a registered company, and therefore, local communities, which had been denied access to forest resources, were believed to gain from the expanded access to forest resources. In reality, however, because of the rigid procedures and requirements of the application process, and the capital outlay and experience required to manage a concession, most local communities had no choice but to hand over responsibility for the permit application process and concession management to wealthy companies or contractors. In these cases, companies or contractors would pay the communities a share of timber profits and/or provide social benefits such as village development, livelihoods opportunities and physical assistance. Due to the lack of clear regulatory framework, however, the agreements with regards to the distribution of benefits tended to be drawn up in an ad hoc manner with considerable differences. In some cases, as Samsu et al. (2005) found in some villages in East Kalimantan, fees were divided equally among individuals, with equal allocation given even to babies. In other villages fees were divided among households and further divided for main families, new families, widows and youths. There were also cases in which fees were reserved solely for village heads and other members of the local elite (Yasmi et al. 2005).

In addition, the new sense of entitlement attached to communities made identify of community the source of political battle. Communities started to use a variety of arguments to secure their share of resource rent. Evidences used range from documents dating from the Dutch colonial period to semi-official letters from different government levels to the recalling various versions of oral history. “Constructing” history thus became a means of making a claim, often resulting in overlapping claims by different groups. Ethnic, historical or territorial factors were used to establish identity of so-called *adat* or traditional communities. Many of these factors overlapped and intertwined sometimes, thus leading to conflict over which definition is to be accepted, which in turn, determine who would have rightful control over natural resources of a particular area. There are strong environmental justice implication in this because, for example, claims based on historical presence disadvantaged migratory groups including those who moved as part of the government resettlement schemes during the New Order Regime.

Reforms empowered *adat* and made *adat* visible. A space was created for local communities to openly contest the ownership of the state and regain their *adat* rights (Simarmata and Masiun, 2002). Decentralisation and expanded opportunities for district and local stakeholders to participate in decision-making processes was believed to empower local communities and improve equity through greater retention and fair or democratic distribution of benefits accrued from forests. As observed in many developing countries, however, decentralisation in Indonesia did not lead to a more equitable or sustainable forest management<sup>10</sup>. Rather, it became yet another example of how a socio-political change creates a political vacuum that is extremely vulnerable to manipulations. In particular, decentralisation triggered two types of conflicts over access to resources. The first is a vertical conflict across different levels of government which try to exert and assume greater authority over forest resources. The second is a horizontal conflict across and sometimes within communities. The ad hoc manner of establishing a claim to land and resources create tensions among community that share forests. A number of research shows that certain village elites captured disproportionate share of benefits from timber extracted from communal customary forests (Palmer 2004; Samsu et al. 2005; Tokede et al. 2005).

REDD in Indonesia is being prepared and piloted under such conditions. Distribution of benefits from carbon credits accrued from REDD will be a source of both vertical and horizontal tensions. The Government of Indonesia announced the revenue sharing of REDD in concession areas as follows: 60% for contractor; 20% for Government (of those, Central Government and District Government take 40% each and Provincial Government takes the remaining 20% ); and 20% for community. This distribution scheme, however, potentially conflicts with other rules. For example, the province of Aceh, which started a pilot REDD project (Ulu Masen Project to which Merrill Lynch is investing \$9 million) before the central Government announced the above revenue sharing rule, is allowed to take 80% of revenues accrued from forest resources because of its special autonomous status. The specific rules for REDD revenue sharing does not exist today, but distribution of benefits is certainly a major source of vertical tensions associated with REDD. Horizontally, REDD will have significantly varying impact to local community depending on their dependence on forests and forest-related products. The requirement to preserve forests as carbon sink will affect communities with high degree of dependence more than communities that have alternative means of livelihoods other than logging and swidden agriculture. In addition, communities participating in REDD may be exposed to a different kind of risks, namely volatility in the carbon market. Reliance on cash revenues from REDD is potentially quite vulnerable to the fluctuation of the carbon market. Given the significant uncertainty over the structure of the

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<sup>10</sup> For discussions of mixed result of decentralisation, see, for example, Ribot (2002) and Leach (2002).

post 2012 carbon regime, this cannot be ignored.

***Bricolage as a challenge to “permanence”***

Providing the scale of benefits envisaged and limited transparency and accountability on the ground, the introduction of REDD may lead to another state of “permanence” where local and marginalised groups are deprived of meaningful benefits. The concept of bricolage may offer a useful starting point for developing an alternative pathway. Michel de Certeau (1984) analysed subtle movements of escape and evasion by actors and explained how actors could, though constrained by pervasive power, exercise considerable agency with two concepts: strategy and tactics. De Certeau defines strategy as follows:

*“I call a strategy the calculation (or manipulation) of power relationships that becomes possible as soon as a subject with will and power (a business, an army, a city, a scientific institution) can be isolated. It postulates a place that can be delimited as its own and serve as the base from which relations with an exteriority composed of targets or threats (customers or competitors, enemies, the country surrounding the city, objective and objects of research, etc.) can be managed”. (de Certeau, 1984: 35-6)*

In Foucault's analogy, strategy is an act of someone who takes the central position of the panopticon with the power to observe the entire space. On the other hand:

*“A tactic is a calculation determined by the absence of a proper locus. No delimitation of an exteriority, then, provides it with the condition necessary for autonomy. The space of the tactic is the space of the other”. (ibid, 1984: 35-6)*

De Certeau calls this exercise ‘bricolage’. Through his study of the practice of everyday life, de Certeau argued that even seemingly marginalised groups have some agency to make do in an imposed condition through bricolage. De Certeau finds an example of the exercise of bricolage in the way in which Indians subverted the culture of their Spanish colonisers. In other words, de Certeau interprets bricolage as a tactical act of marginalised groups.

The concept of bricolage is closely associated with the notion of the art of making usage of whatever at hand (Lèvi-Strauss, 1968). Orr (1990: 184-185) emphasised the importance of “community memory” in connecting socially distributed knowledge and saw the notion of bricolage as important in this, in terms of the “reflective manipulation of a set of resources accumulated through experience” and the “piecing together an understanding from bits of



experience, their own or others', in the absence of definitive information." As discussed above, interaction of six moments tend to favour those in power, but the exercise of bricolage may serve as a bottom-up feedback in the interaction of six moments that could pave a way for a more equitable social change. Foucault might say that there is no or little room for these marginalised groups to exercise any agency and change or to subvert an imposed order. However, de Certeau argues that there is room for them to act which he finds in the practice of everyday life: "They metaphorized the dominant order... they diverted it without leaving it" (de Certeau, 1988: 32). For this to take place, however, one should avoid a romantic view of community that is peaceful and homogeneous. In reality, internal dynamics within the community is quite complex and the lack of awareness to this complexity can easily force any reform susceptible to strategic manipulations. Any efforts to support a more equitable and sustainable resource management must begin from this understanding, and REDD is no exception.

### ***Conclusion***

The implementation of REDD in Indonesia and elsewhere is still in an early stage and how REDD could affect internal community dynamics remains to be seen. The discussion so far, however, tends to focus on accounting issues (measurement, reporting and verification of emissions), and there is little debate on the possible implications for the community or the other way around. If only parts of the community benefit from REDD and others do not, new tensions can develop. Similarly, distribution of REDD benefits across different levels of government could also intensify the political battle over resource rent. What happened in the decentralisation process in the late 1990s to the early 2000s highlights the degree of vulnerability in which small powerful groups capture the majority of the benefits is high. Bricolage appears to offer an interesting alternative to status quo and may serve as a tactical weapon of the weak to challenge the dominant order.

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